September 6, 2005

General Counsel's Office Attn: Jeff S. Jordan **Federal Election Commission** 999 E Street NW Washington, DC 20463

re: MUR 5678

no sense.

Dear Mr. Jordan: My Senate campaign was outspent ten to one. We lost the election by two to one. I was soundly beaten. And now, eleven months after the election, comes this complaint? Why? It makes

Until you understand who can possibly gain from this complaint. Google tells me that in the last election cycle Complainant Renee Pfenning of Bismarck worked on Dick Gephardt's campaign, and that she was a member of the Democratic National Committee.

Here's what is going on here: the incumbents in North Dakota are using the FEC to intimidate their opponents. The message is: "Don't you dare challenge us, or you will be answering to every federal agency in the alphabet."

I don't think the FEC should allow itself to be used as a tool to satisfy the personal vendettas of vengeful incumbent politicians.

Based on the attached Affidavit, I ask you to dismiss this frivolous complaint and devote your valuable resources to investigating those politicians who are drowning in cash, such as Senator Dorgan. This matter does NOT warrant the use of Commission resources. I also ask the Commission to officially close my entire campaign file so that Senator Dorgan and his crowd can no longer use the FEC to harass me in the future.

Should you have a different take on this matter, and feel it is worthy of commission resources, then I would like to request an informal dispute resolution. I feel that these are complex rules. And I don't think it is reasonable to expect a candidate in a low-budget campaign such as mine to spend the time and money needed to master the legal details regarding PAC operations. I was running a long-shot campaign, not a PAC.

Sincerely,

Michael G. Liffrig

BEFORE THE FEDERAL ELECTION COMMISSION

Renee Pfenning)	•
v.)	In re: MUR 5678
Michael George Liffrig et.al.	•	Affidavit of Michael G. Liffrig
)	

Michael G. Liffrig, being duly sworn, states under oath as follows:

Re: alleged in-kind corporate contributions

- 1. In the earlier stages of our campaign, my staff and I tried to jawbone Newman Signs, so that we would get the most advertising for our money. I remember this because it involved the first significant cash outlay of the campaign, and it hurt. The Newman sales rep told us that there was a set rate for certain signs, and that he was required under the rules to charge that rate to all candidates. We took him at face value, and agreed to pay the published rates.
- 2. Suggesting that we paid less that the usual and normal charges for this advertising is untrue.
- 3. I signed a note for the balance of the money I owed to Newman. (I think this was after the election.) I have been paying that note, with interest, as my personal earnings allow.
- 4. None of this is a secret. In March of 2005 I told Camilla Reminsky of the FEC that I had reduced my Newman debt to a promissory note, and was paying down that debt as my personal finances allowed. I have promised that the folks from Newman will be paid in full, and they will be. The balance currently stands at around \$3,000.

Re: alleged earmarked contributions

- 1. I wanted to run a squeaky clean campaign, because I didn't want to give my opponent any scandal-type issue to use against me. I never asked and never would ask Mr. Newman or BullyPac to violate campaign finance laws.
- 2. My father, who was a campaign volunteer, talked to Harold Newman about supporting my campaign. This was several months after the outdoor advertising contract was signed. The understanding I got was that Newman could contribute to BullyPac, but my campaign would not necessarily receive all or any of those funds. I knew that I had no legal right to any money Mr. Newman would contribute to BullyPac, since it would belong to BullyPac and not to my campaign.
- 3. To say that I was frequently disappointed with my fundraising in this campaign would be a huge understatement. There were many candidates last year, and it seemed all of them were

better at fundraising than I was. I was not privy to any discussions that BullyPac may have had with Mr. Newman; but I remember preparing myself for the worst—i.e., I would not have been surprised to learn that BullyPac had decided to spend its money on candidates it thought had a better chance of winning than I had. So I didn't get my hopes up too high for BullyPac.

- 4. I did not think it was illegal for Newman to give money to BullyPac, and for BullyPac to then give it to me or to other candidates it liked. I thought this was exactly how PAC's were supposed to work. I did not know that PAC limits were different, depending on how long the PAC had been in existence.
- 5. If I violated the law, or if Mr. Newman or BullyPac violated the law and I am legally responsible for their conduct, then I apologize and will do what I can to make matters right.

Dated: September 6, 2005

Witnessed:

Alvina Affolter